



MIRABAUD GROUP
CONSOLIDATED FINANCIAL
STATEMENTS 2015

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MIRABAUD GROUP
CONSOLIDATED FINANCIAL
STATEMENTS 2015

ANNUAL REPORT

As of 31 December 2015, total assets under administration amount to CHF 32.8 billion (including CHF 3.6 billion of double-counted assets). This reflects the solid client base built over many years across the different business lines in Switzerland and abroad.

The annual Group financial statements report a consolidated profit of CHF 27.1 million.

Revenue amounts to CHF 291.1 million including net interest income of CHF 17.3 million, fee and commission income of CHF 226.9 million and dealing income of CHF 36.4 million. Operating result amounts to CHF 34.3 million.

Consolidated balance sheet amounts to CHF 4'179.6 million. Liabilities are comprised primarily of clients deposits. Two thirds of assets are deposited with the Swiss National Bank or invested, mainly in short-term government notes, ensuring liquidity and security.

With a total equity of CHF 177.1 million, excluding consolidated profit, the Group's Tier 1 capital ratio is 21.06%.

In 2015, the Mirabaud Group, active in three business lines, Wealth Management, Asset Management and Brokerage and Corporate Finance, added to its activities in Switzerland and abroad. The Group is continuing to grow and invest.

The Partners

GOVERNING BODIES OF THE MIRABAUD GROUP

PARTNERS

Yves MIRABAUD

Antonio PALMA

Giles MORLAND (until December 31, 2015)

Lionel AESCHLIMANN

Camille VIAL

BOARD OF DIRECTORS OF MIRABAUD SCA

Yves MIRABAUD

Antonio PALMA

Giles MORLAND (until December 31, 2015)

Lionel AESCHLIMANN

Camille VIAL

SUPERVISORY BOARD OF MIRABAUD SCA

Pierre BONGARD

Bernard VISCHER

François SUNIER

BALANCE SHEET

Swiss Francs

Assets

	31.12.2015	31.12.2014
Liquid assets	1'575'934'795	1'507'461'331
Amounts due from banks	339'495'540	418'490'234
Amounts due from customers	614'203'852	812'719'716
Mortgage loans	–	–
Trading portfolio assets	–	–
Positive replacement values of derivative financial instruments	78'637'950	53'616'200
Financial investments	1'374'696'989	1'453'431'909
Accrued income and prepaid expenses	46'135'899	36'562'967
Non-consolidated participations	1'145'486	1'598'903
Tangible fixed assets	100'008'152	98'536'790
Intangible assets	–	–
Other assets	49'390'389	7'275'459
Total assets	4'179'649'052	4'389'693'509
Total subordinated claims	–	–

Liabilities

	<u>31.12.2015</u>	<u>31.12.2014</u>
Amounts due to banks	57'042'430	3'097'993
Amounts due in respect of customer deposits	3'683'999'283	4'007'353'696
Trading portfolio liabilities	–	–
Negative replacement values of derivative financial instruments	74'262'988	52'221'280
Accrued expenses and deferred income	90'182'327	75'134'488
Other liabilities	52'359'818	20'056'628
Provisions	17'668'466	15'491'292
Capital accounts	138'361'500	138'020'886
Retained earnings reserve	40'710'705	42'282'532
Currency translation reserve	-2'013'534	3'787'315
Consolidated profit	27'075'069	32'247'399
Total liabilities	4'179'649'052	4'389'693'509
Total subordinated liabilities	–	–

OFF-BALANCE SHEET TRANSACTIONS

Swiss Francs

	<u>31.12.2015</u>	<u>31.12.2014</u>
Contingent liabilities	86'719'834	80'912'909
Irrevocable commitments	3'280'000	5'384'000
Obligations to pay up shares and make further contributions	–	–
Credit commitments	–	–

INCOME STATEMENT

Swiss Francs

	2015	2014
Interest and discount income	16'087'887	11'005'693
Interest and dividend income from financial investments	476'329	505'985
Interest expense	747'228	-521'012
Gross result from interest operations	17'311'444	10'990'666
Changes in value adjustments for default risks and losses from interest operations	-29'478	-4'594
Subtotal net result from interest operations	17'281'966	10'986'072
Commission income from securities trading and investment activities	245'902'668	273'667'980
Commission income from lending activities	291'951	423'063
Commission income from other services	6'572'874	2'568'226
Commission expense	-25'890'038	-29'343'012
Subtotal result from commission business and services	226'877'455	247'316'257
Result from trading activities	36'429'750	27'685'633
Result from the disposal of financial investments	951'076	258'102
Income from non-consolidated participations	14'934'189	5'285'411
Result from real estate	289'986	290'004
Other ordinary income	1'505'299	226'001
Other ordinary expenses	-7'204'825	-444'214
Subtotal other result from ordinary activities	10'475'725	5'615'304
Personnel expenses	-182'006'698	-173'582'943
General and administrative expenses	-68'491'221	-69'704'550
Subtotal operating expenses	-250'497'919	-243'287'493
Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets	-3'833'181	-5'693'342
Changes to provisions and other value adjustments, and losses	-2'462'831	-1'826'401
Operating result	34'270'965	40'796'030
Extraordinary income	729'348	524'107
Extraordinary expenses	-544'511	-13'189
Taxes	-7'380'733	-9'059'549
Consolidated profit	27'075'069	32'247'399

CASH FLOW STATEMENT JANUARY 1 TO DECEMBER 31, 2015

Swiss Francs

	Cash inflows	Cash outflows
Cash flow from operating activities (internal financing)		
Consolidated profit	27'075'069	–
Value adjustments on participations, depreciation and amortisation of tangible fixed assets and intangible assets	3'833'181	–
Provisions and other value adjustments	2'177'174	–
Change in value adjustments for default risks and losses	29'478	–
Accrued income and prepaid expenses	–	9'572'932
Accrued expenses and deferred income	15'047'839	–
Other items	32'303'190	42'114'930
Subtotal	80'465'931	51'687'862
Cash flow from shareholders' equity transactions		
Share capital / participation capital / cantonal banks' endowment capital / etc.	340'614	–
Recognised in reserves	–	39'620'075
Subtotal	340'614	39'620'075
Cash flow from transactions in respect of participations, tangible fixed assets and intangible assets		
Participations	453'417	–
Real estate	–	–
Other tangible fixed assets	–	5'304'543
Subtotal	453'417	5'304'543
Cash flow from banking operations		
Medium - and long-term business (> 1 year)		
Amounts due from banks	–	–
Amounts due from customers	2'500'000	–
Financial investments	1'430'329	–
Short-term business (< 1 year)		
Amounts due to banks	53'944'437	–
Amounts due in respect of customer deposits	–	323'354'413
Negative replacement values of derivative financial instruments	22'041'708	–
Amounts due from banks	78'994'694	–
Amounts due from customers	195'986'386	–
Positive replacement values of derivative financial instruments	–	25'021'750
Financial investments	77'304'591	–
Liquidity		
Liquid assets	–	68'473'464
Subtotal	432'202'145	416'849'627
Total	513'462'107	513'462'107

STATEMENT OF CHANGES IN EQUITY

Swiss Francs

	Capital accounts					Total
	Indefinitely liable partners contributions	Definitely liable partners contributions	Retained earnings reserve	Currency translation reserve	Consolidated profit	
Equity as of December 31, 2014	91'480'000	46'540'886	42'282'532	3'787'315	32'247'399	216'338'132
Employee participation schemes / recognition in reserves	-	-	-	-	-	-
Capital movements increase / decrease	-7'982'000	8'322'614	-	-	-	340'614
Currency translation differences	-	-	-	-5'800'849	-	-5'800'849
Dividends and other distributions	-	-	-2'191'645	-	-32'247'399	-34'439'044
Other allocations to (transfers from) the other reserves	-	-	619'818	-	-	619'818
Consolidated profit	-	-	-	-	27'075'069	27'075'069
Equity as of December 31, 2015	83'498'000	54'863'500	40'710'705	-2'013'534	27'075'069	204'133'740

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 2015

COMPANY NAME, LEGAL STRUCTURE AND DOMICILE

Mirabaud was founded in Geneva in 1819. Over time, the Group has developed into a multinational. Mirabaud provides its clients with customised financial and advisory services in three core areas: Wealth Management (portfolio management, investment advisory services and services for independent financial advisors), Asset Management (institutional management, fund management and distribution) and Brokerage and Corporate Finance (traditional brokerage, equity capital market and M&A).

The Mirabaud Group (herein after "The Group" or "Mirabaud") comprises the financial statements of all entities in which the Mirabaud Group Partners are holding directly or indirectly more than 50% of capital or votes, and which are subject to the joint management of the indefinitely liable Partners of Mirabaud SCA, Geneva.

ACCOUNTING AND VALUATION PRINCIPLES

General principles

The accounting and valuation principles comply with the rules of the Swiss Code of Obligations, with the Banking Law, as well as the directives of the Swiss Financial Market Supervisory Authority (FINMA).

The consolidated financial statements are established according to the rules applicable in Switzerland to consolidated financial statements, using the true and fair principle.

Change in accounting principles

The 2014 annual report mentioned the capital and profit minority interests. Representing definitely liable Partners contributions, these elements are consequently presented in capital accounts, with retrospective adjustment. The breakdown between indefinitely and definitely liable Partners contributions is showed in the Statement of changes in equity.

Scope of Consolidation and related changes

The scope of the consolidation includes, as of December 31, 2015, all entities controlled by the Partners. The significant entities are disclosed on page 20 of the report.

The scope of the consolidation has not changed in 2015.

Consolidation method

The entities directly or indirectly controlled by the Group are consolidated using the global integration method. The share capital is consolidated using the anglo-saxon method (purchase method).

The Group's internal transactions, as well as the intercompany profits, have been reported as elimination entries when establishing the consolidated financial statements.

Recording of transactions

All transactions made by the balance sheet date are booked the day they are executed. Non-executed spot transactions are included in the balance sheet on transaction date, except for assets with the Swiss National Bank which are accounted for using settlement date.

Timeliness of recognition

Income and expenses are booked as soon as they are acquired or accrued, or as they are incurred, and booked in the related year, and not on the date they are received or paid.

Transactions in foreign currencies

The transactions in foreign currencies are booked at the prevailing exchange rate at the transaction date. Gains and losses resulting from the settlement of these transactions, as well as from the conversion of the assets and liabilities denominated in foreign currencies at the closing rates, are booked to the profit and loss account.

Conversion of foreign currencies in the Group financial statements

For consolidation purposes, in order to convert into Swiss francs the financial statements denominated in foreign currencies, the following methods have been applied:

- For the balance sheet, the closing rate has been used, except for equity which has been converted using historical rates.
- For the income statement, the average rate has been applied.

The resulting foreign exchange differences have been accounted for in the currency translation reserve (equity) account, without impacting the income statement.

The rates applied for the conversion of the main currencies into Swiss francs are the following:

	2015		2014	
	Closing	Average	Closing	Average
USD	0.994	0.963	0.990	0.918
EUR	1.083	1.069	1.203	1.214
GBP	1.473	1.472	1.542	1.508
CAD	0.715	0.754	0.853	0.830

Liquid assets, amounts due from banks

These balances are shown on the balance sheet at the nominal value or acquisition value, after deduction of individual bad debt provisions, if required. At the current closing date, amounts due from banks do not contain any specific impairment.

Amounts due from customers and contingent liabilities

Impaired customer loans are subject to individual valuation and, should the case arise, to an individual value adjustment, directly deducted, equivalent to the part of the amount which is not secured by collateral, as soon as the loan is reported impaired. As of December 31, 2015, these value adjustments amount to CHF 244'257 (respectively as of December 31, 2014 to CHF 357'303).

Trading portfolio assets

Trading transactions are valued and reported on the balance sheet at prevailing market rates at the balance sheet date. Gains and losses resulting from market fluctuations are charged to the profit and loss account "result from trading activities".

Replacement values of derivative financial instruments

Replacement values of derivative financial instruments are calculated and accounted for in order to take into account the cost or the gain resulting from a potential counterparty delivery failure.

The positive replacement values are accounted for in the balance sheet on the asset side, and the negative replacement values on the liability side, for all the derivative financial instruments outstanding at balance sheet date which would result from own account or customer transactions, irrespective of the accounting treatment in the income statement.

Financial investments

Each security is valued individually, and the Group uses the lower of cost or market value as a valuation method, in accordance with rules governing financial statement reporting. Bonds and money market papers which have been acquired as an investment and not necessarily kept until maturity are booked at cost, after deduction of any impairment deemed necessary. This is also applicable for some investments in equities or other securities that the Group is willing to or obliged to hold for some time.

Accrued income and prepaid expenses, other assets, accrued expenses and deferred income, other liabilities

These items are valued using the same principles as those applicable for claims and liabilities. They are subject to proper allocation to the appropriate period.

Non-consolidated participations

Financial participations are reported in the balance sheet at acquisition value, after deduction of any impairment required by the circumstances. Participations in infrastructure items are booked for record only. The Group has no significant influence on any material non-consolidated participation.

Tangible fixed assets

Tangible fixed assets, including real estate items, refurbishment works and furniture, are reported in the balance sheet at cost and depreciated using the straight-line depreciation method based on their estimated useful life.

A periodic review is performed in order to identify potential significant decreases in value, or a change of the duration of use, and, should the case arise, any necessary exceptional depreciation would then be reported or the depreciation period would be modified.

The following depreciation periods are applicable:

Real estate	50 years
Refurbishment works	7 years
Furniture	7 years
Other tangible fixed assets	3 years

Intangible assets

Any goodwill or acquisition difference resulting from the purchase of activities or firms is reported in the balance sheet under intangible assets. The Group amortises any goodwill over its estimated useful life using the straight line amortisation method.

Provisions

A provision is booked as soon as a likely liability, based on a past event, can be reliably estimated even though the amount and maturity are uncertain.

Capital accounts

Mirabaud Group capital accounts include indefinitely and definitely liable Partners contributions in the capital of Mirabaud Partners & Cie and Mircan & Co Ltd.

Income taxes

The tax charge on the consolidated income statement includes current income and capital taxes of Group companies as well as deferred taxes resulting from temporary differences between statutory and consolidated financial statements.

Current taxes are accrued for in the liability side of the balance sheet under accrued expenses, and deferred tax liabilities are reported under provisions. Deferred taxes are calculated using the expected tax rates.

Derivative financial instruments

The valuation principles applied by the Group for derivative financial instruments are the following:

- The realised and unrealised foreign exchange results arising from trading operations are charged to the profit and loss account "result from trading activities".

- The replacement values reported separately in the balance sheet correspond to the market value of the derivative financial instruments resulting from outstanding transactions made for clients or own account. They are reported at gross values.
- The options transactions are valued at market price at the balance sheet date, as are forward currency transactions.
- The derivative financial instruments are valued based on available prices (markets). The Group is not required to use valuation models for derivative financial instruments.

RISK MANAGEMENT

Risk aversion and caution are the basis of Mirabaud Group global approach, as stated in the Group's corporate plan and its various internal guidelines. The Group has defined risk management principles and follows a risk averse policy in this respect, adapted to its activity essentially focused on wealth management. This policy results in the absence of speculative trading for own account and in the implementation of a system of limits within the framework of risk management. The Group has no major exposure to interest rate risk from a structural point of view, it has no significant exposure to other market or country risks, and credit risks, given the selection of counterparties and the collateral left by the customers, are limited as much as possible and regularly monitored. Reporting on the risks incurred at group level is performed on a regular basis; it regularly proposes corrective measures to the governing bodies in charge of the consolidated supervision in order to protect the interest of the Group and its customers.

Credit risk

Credits granted to the private customers by the Group entities are generally secured by duly pledged assets in deposit with the Group (Lombard credits). The collateral value of the pledged portfolios is based on automated processes defining collateral rates by asset class taking into account, inter alia, the liquidity, the debtor credit worthiness, the country risk as well as the diversification of investments. The collateral values of assets held by the customers are revalued on a regular ba-

sis. Credits granted are supervised on a daily basis. The Group policy does not allow corporate lending; mortgage lending remains exceptional.

Credit risk exposure to professional counterparties like banking institutions and brokers is restricted to counterparties with the best solvency indicators. The quality of those counterparties and the limits assigned are reviewed on a regular basis through the application of an internal rating system. Compliance with limits is checked on a daily basis.

The Group is supported by a risk management function which supervises on a daily basis the default risks of debtors and counterparties. Value adjustments or provisions are decided when deemed necessary.

Market risk & country risk

It is the Group's policy to avoid taking any market risk position. The Group also ensures that the country risk positions are highly restricted. The risk management function checks the compliance of this policy on a regular basis.

Interest rate risk

Due to its balance sheet structure, the Group is not exposed to any material interest rate risk. The risk management function regularly checks that such exposure remains marginal.

Operational risks

Operational risk encompasses all categories of risk except for credit, market, country and interest rate risks. It includes among others the involuntary disruption of the Group entities operational activities, the failure of the computer systems, the risks resulting from improper execution of transactions, the risks resulting from a mistake in the execution of clients mandates as well as the risks related to human resources, compliance, fraud and litigation. The governing bodies in charge of consolidated supervision are informed on a regular basis of the operational risks by the Group entities, inter alia, through a reporting system on key risk indicators prepared by the risk management department of Mirabaud & Cie SA. Corrective measures are taken when deemed necessary.

POLICY APPLICABLE IN RESPECT OF DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

The derivative financial instruments are mainly used in operations for the account of customers. To avoid any exposure, the Group concludes back-to-back transactions on the financial markets.

The Group uses financial derivative instruments when deemed adequate in order to hedge the foreign currency exposure on its revenues, an important proportion of which derives from underlying assets denominated in foreign currencies, particularly in USD and EUR.

The result is reported prorata temporis in the income statement item which is subject to the hedge transaction until maturity.

The positive or negative replacement values are recognised in the balance sheet. Should a hedge transaction exceed the underlying amount to be covered (inefficiency), the amount resulting from the excess of hedge would be accounted for in the trading results.

SUBSEQUENT EVENTS

Mr Giles Morland resigned from the Partnership on January 1, 2016.

BALANCE SHEET RELATED INFORMATION

COLLATERAL FOR LOANS AND OFF-BALANCE SHEET TRANSACTIONS, AS WELL AS IMPAIRED LOANS

Swiss Francs

	Type of collateral			Total
	Secured by mortgage	Other collateral	Unsecured	
Loans (before netting with value adjustments)				
Amounts due from customers	–	609'251'578	5'196'531	614'448'109
Mortgage loans	–	–	–	–
Total loans (before netting with value adjustments)				
2015	–	609'251'578	5'196'531	614'448'109
2014	–	806'642'261	6'434'758	813'077'019
Total loans (after netting with value adjustments)				
2015	–	609'251'578	4'952'274	614'203'852
2014	–	806'284'958	6'434'758	812'719'716
Off balance sheet				
Contingent liabilities	–	86'134'910	584'924	86'719'834
Irrevocable commitments	–	–	3'280'000	3'280'000
Obligations to pay up shares and make further contributions	–	–	–	–
Credit commitments	–	–	–	–
Total off balance sheet				
2015	–	86'134'910	3'864'924	89'999'834
2014	–	80'912'909	5'384'000	86'296'909
Impaired loans				
2015	244'257	–	244'257	244'257
2014	357'303	–	357'303	357'303

DERIVATIVE FINANCIAL INSTRUMENTS (ASSETS AND LIABILITIES)

Swiss Francs

	Trading instruments			Hedging instruments		
	Positive replacement values	Negative replacement values	Contract volume	Positive replacement values	Negative replacement values	Contract volume
Foreign exchange / precious metals						
Forward contracts	24'124'305	22'854'569	2'180'607'661	559'209	1'085'934	104'373'283
Combined interest rate / currency swaps	–	–	–	9'449'605	5'820'393	1'594'037'925
Futures	–	–	–	–	–	–
Options (OTC)	44'504'831	44'502'092	3'514'296'000	–	–	–
Options (exchange traded)	–	–	–	–	–	–
Total before netting adjustments						
2015	68'629'136	67'356'661	5'694'903'661	10'008'814	6'906'327	1'698'411'208
2014	50'605'264	49'737'736	4'452'684'534	3'010'936	2'483'544	1'614'403'297

DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Swiss Francs

	Positive replacement values (cumulative)	Negative replacement values (cumulative)
Total after netting agreements		
2015	76'933'907	72'558'945
2014	20'232'253	25'447'197

Breakdown by counterparty

	Central clearing houses	Banks and securities dealers	Other customers
Positive replacement values (after netting agreements)	–	21'150'783	55'783'124

FINANCIAL INVESTMENTS

Swiss Francs

	Book value		Fair value	
	2015	2014	2015	2014
Debt securities	1'283'754'891	1'151'242'982	1'284'172'388	1'151'751'603
- of which, intended to be held to maturity	-	-	-	-
- of which, not intended to be held to maturity (available for sale)	1'283'754'891	1'151'242'982	1'284'172'388	1'151'751'603
Equity securities	24'017'351	17'327'302	24'099'231	18'104'842
- of which, qualified participations	-	-	-	-
Precious metals	66'924'747	284'861'625	66'924'747	284'861'625
Total	1'374'696'989	1'453'431'909	1'375'196'366	1'454'718'070
- of which, securities eligible for repo transactions in accordance with liquidity requirements	751'986'617	317'264'983		

Breakdown of counterparties by rating

	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	Below B-	Unrated	Total
Debt securities							
Book values	1'283'754'891	-	-	-	-	-	1'283'754'891

The above mentioned ratings have been issued by S&P. The Group also uses its own internal rating system.

NON CONSOLIDATED PARTICIPATIONS

Swiss Francs

	Acquisition cost	Accumulated value adjustments	Book value as of December 31, 2014	Current year				Book value as of December 31, 2015
				Reclassifications	Additions	Disposals	Value adjustments	
Other participations								
with market value	-	-	-	-	-	-	-	-
without market value	1'598'903	-	1'598'903	-	10'000	-463'417	-	1'145'486
Total participations	1'598'903	-	1'598'903	-	10'000	-463'417	-	1'145'486

COMPANIES IN WHICH THE GROUP HOLDS A PERMANENT DIRECT OR INDIRECT SIGNIFICANT PARTICIPATION

Participations consolidated using the global method

Company name and domicile	Business activity						
			Company capital (in thousands)	Share of capital (in %)	Share of votes (in %)	Held directly (in %)	Held indirectly (in %)
Mirabaud Partners & Cie, Geneva	Holding	CHF	40'000	100%	100%	100%	0%
Mirabaud SCA, Geneva	Holding	CHF	30'000	100%	100%	100%	0%
Mircan and Company, Limited, Montréal	Service company	CAD	500	100%	100%	100%	0%
Mirabaud & Cie SA, Geneva	Bank	CHF	30'000	100%	100%	100%	0%
Mirabaud Canada Inc., Montréal	Security dealer	CAD	5'750	100%	100%	100%	0%
Mirabaud Gestion Inc., Montréal	Asset management	CAD	275	100%	100%	100%	0%
Mirabaud & Cie (Europe) SA, Luxembourg	Bank	EUR	27'682	100%	100%	100%	0%
Mirabaud (Middle East) Ltd, Dubai	Bank	USD	15'000	100%	100%	100%	0%
Mirabaud Asset Management Limited, London	Asset management and fund management company	GBP	2'850	100%	100%	100%	0%
Mirabaud Asset Management (Suisse) SA, Geneva	Asset management and fund management company	CHF	5'000	100%	100%	100%	0%
Mirabaud Asset Management (Europe) SA, Luxembourg	Asset management and fund management company	EUR	500	100%	100%	100%	0%
Mirabaud Asset Management España, Madrid	Asset management and fund management company	EUR	1'300	100%	100%	100%	0%
Mirabaud Asset Management (France) SA, Paris	Asset management and fund management company	EUR	218	100%	100%	100%	0%
Galmar Inc., Nassau	Holding	USD	10	100%	100%	100%	0%
Galmir Advisory Services Limited, Nassau	Finance company	USD	5	100%	100%	100%	0%
Mirabaud Securities Holdings Ltd, London	Service company	GBP	3'500	100%	100%	100%	0%
Mirabaud Securities LLP, London	Broker	GBP	12'429	99%	100%	100%	0%
Mirabaud (Asia) Ltd, Hong-Kong	Broker	HKD	6'000	100%	100%	100%	0%
LPP Gestion SA, Geneva	Service company	CHF	1'500	100%	100%	100%	0%
MirServices SA, Geneva	Service company	CHF	500	100%	100%	100%	0%
Hoche Courtage SAS, Paris	Finance company	EUR	237	100%	100%	100%	0%
Mirabaud Capital SA, Geneva	Finance company	CHF	3'750	100%	100%	100%	0%

Company name and domicile

Company name and domicile		Business activity	Company capital (in thousands)	Share of capital (in %)	Share of votes (in %)	Held directly (in %)	Held indirectly (in %)
ACH Management SA, Luxembourg		Finance company	USD 154	18%	18%	18%	0%
Finaveo et Associés, Paris		Service company	EUR 289	34%	34%	34%	0%
Galba Anstalt, Liechtenstein		Service company	CHF 30	100%	100%	100%	0%
Hausman General Partners Sàrl, Luxembourg		Finance company	EUR 1'000	32%	32%	32%	0%
HH Management Holdings Ltd, Tortola		Finance company	USD 10	32%	32%	32%	0%
Ifipp SA, Genève		Service company	CHF 100	100%	100%	100%	0%
Mirabaud Financial Planning SA, Genève		Service company	CHF 250	100%	100%	100%	0%
SIX Group AG, Zurich		Service company	CHF 19'522	1%	1%	1%	0%
Upsidéo, Paris		Service company	EUR 15	34%	34%	34%	0%

The above mentioned companies have not been consolidated because of their materiality or because their activity is not strategic for the Group. No one has a balance sheet exceeding 0.05% of the consolidated balance sheet nor a profit exceeding 0.5% of the consolidated profit.

TANGIBLE FIXED ASSETS

Swiss Francs

	Acquisition cost	Accumulated depreciation	Book value as of December 31, 2014	Current year			
				Additions	Disposals	Depreciation	Book value as of December 31, 2015
Group buildings	89'863'690	-820'428	89'043'262	-	-	-913'465	88'129'797
Other real estate	-	-	-	-	-	-	-
Other tangible fixed assets	51'585'874	-42'092'346	9'493'528	6'145'486	-840'943	-2'919'716	11'878'355
Tangible fixed assets under financial lease	-	-	-	-	-	-	-
Total tangible fixed assets	141'449'564	-42'912'774	98'536'790	6'145'486	-840'943	-3'833'181	100'008'152

Operating lease commitments as of December 31, 2015
 - of which with maturity within one year

156'000
 54'825

Operating lease commitments as of December 31, 2014
 - of which with maturity within one year

1'741'021
 496'355

OTHER ASSETS AND OTHER LIABILITIES

Swiss Francs

	Other assets		Other liabilities	
	2015	2014	2015	2014
Compensation account	-	-	-	889'501
Deferred income taxes recognised as assets	-	-	-	-
Other assets and other liabilities	49'390'389	7'275'459	52'359'818	19'167'127
Total	49'390'389	7'275'459	52'359'818	20'056'628

ASSETS PLEDGED OR ASSIGNED TO SECURE OWN COMMITMENTS AND ASSETS UNDER RESERVATION OF OWNERSHIP

Swiss Francs

	Book values	Effective commitments
Pledged / assigned assets		
Financial investments	270'286'631	53'345'545
Others	92'265'717	51'072'420
Total	362'552'348	104'417'965
Assets under reservation of ownership		
Others	-	-
Total	-	-

ECONOMIC SITUATION OF OWN PENSION FUNDS

The main pension plan within the Group is the pension plan of Mirabaud & Cie SA and its Swiss affiliated companies, which is a defined contribution plan. This main plan is available to each employee whose employment exceeds three months, to the Partners of Mirabaud Partners & Cie, as well as to expressly designated Group employees. The contribution to the pension fund, the Fondation de Prévoyance LPP Mirabaud, consists in a savings contribution and a risk contribution. Employer's contributions are accounted for as current expenses during the period.

The employees and managers having a salary exceeding CHF 150'000 benefit from an individualized management of their pension savings. These contributions are paid to the Fondation pour Cadres et Dirigeants d'Entreprise. The financing and risk coverage of this portion exceeding the minimum required is similar to the basic pension foundation and is consolidated. There is also an employer sponsored pension fund offering free benefits to retired employees at the employer's discretion. This fund has no mandatory requirements.

The other Group pension plans are based on the defined contribution principle.

At the balance sheet date, balances due to the Group pension funds amount to CHF 8'569'123 as of December 31, 2015, respectively to CHF 5'716'895 as of December 31, 2014. These balances consist of current account deposits made by the pension funds with Mirabaud & Cie SA. There is no other asset (economic benefit) nor liability (economic obligation). The main Group pension fund, the Fondation de Prévoyance LPP Mirabaud, reported as of December 31, 2015 an overfunding of 108.7%, respectively as of December 31, 2014 an overfunding of 110.9%. The Fondation pour Cadres et Dirigeants d'Entreprise reported a funding of 100.0% as of December 31, 2015, as well as of December 31, 2014.

As of December 31, 2015, as well as of December 31, 2014, no employer contribution reserves were recorded.

EMPLOYEE PARTICIPATION SCHEMES

A participation plan restricted to some employees and management members is available within the Group, through which part of the bonuses are deferred but can be subject to claw back should a loss occur in the responsibility area of the eligible employees during the three subsequent years.

These deferred bonuses may be entirely or partially paid through shares of the group company Mirabaud Capital SA, which in turn owns a limited partnership interest in Mirabaud Partners & Cie.

Within this scheme, the eligible employees and management members may acquire, through a loan granted by Mirabaud & Cie SA, additional shares in Mirabaud Capital SA.

As of December 31, 2015, the eligible employees held 21'155 shares in Mirabaud Capital SA, for a total amount of CHF 3'073'187, and the management members held 4'073 shares, for a total amount of CHF 591'685 (as of December 31, 2014, the eligible employees held 19'915 shares, for a total amount of CHF 2'783'918, and the management members held 2'644 shares, for a total amount of CHF 369'605). The valuation is made based on the statutory financial statements of Mirabaud Capital SA as of December 31, 2015, respectively as of December 31, 2014.

Deferred bonuses amounting to CHF 485'000 were recorded in the personnel expenses in relation with this participation scheme during the year 2015 (respectively CHF 735'000 for 2014).

During 2015, the business line Mirabaud Asset Management put in place an incentive scheme restricted to some employees, through which part of the bonuses are deferred for one to three years. Personnel expenses for CHF 1'220'000 were recorded in 2015.

AMOUNTS DUE FROM / TO RELATED PARTIES

Swiss Francs

	Amounts due from		Amounts due to	
	2015	2014	2015	2014
Holders of qualified participations	11'365	-	34'303'662	51'020'677
Group companies	-	-	-	-
Transactions with members of governing bodies	-	-	-	-
Other related parties	-	-	-	-
Total	11'365	-	34'303'662	51'020'677

The interest rate conditions applicable to amounts due from and to related parties are at arm's length.

MATURITY STRUCTURE OF FINANCIAL INSTRUMENTS

In thousands of Swiss Francs

	At sight	Due						Total
		Cancellable	within 3 months	within 3 to 12 months	within 12 months to 5 years	after 5 years	No maturity	
Assets / Financial instruments								
Liquid assets	1'575'935	–	–	–	–	–	–	1'575'935
Amounts due from banks	301'741	27'559	9'940	255	–	–	–	339'496
Amounts due from customers	9'658	8'570	500'538	92'938	2'500	–	–	614'204
Positive replacement values of derivative financial instruments	78'638	–	–	–	–	–	–	78'638
Financial investments	90'942	–	583'081	678'857	19'810	2'007	–	1'374'697
Total assets / financial instruments								
2015	2'056'914	36'129	1'093'559	772'051	22'310	2'007	–	3'982'969
2014	2'160'154	64'700	1'658'003	339'615	21'240	2'007	–	4'245'719
Debt capital / Financial instruments								
Amounts due to banks	57'042	–	–	–	–	–	–	57'042
Amounts due in respect of customer deposits	3'675'273	1'205	7'521	–	–	–	–	3'683'999
Negative replacement values of derivative financial instruments	74'263	–	–	–	–	–	–	74'263
Total debt capital / financial instruments								
2015	3'806'579	1'205	7'521	–	–	–	–	3'815'305
2014	4'056'033	1'527	5'113	–	–	–	–	4'062'673

BREAKDOWN OF ASSETS AND LIABILITIES BY DOMESTIC AND FOREIGN ORIGIN

In thousands of Swiss Francs

	2015		2014	
	Domestic	Foreign	Domestic	Foreign
Assets				
Liquid assets	1'489'205	86'730	1'506'245	1'216
Amounts due from banks	115'771	223'724	97'659	320'831
Amounts due from customers	158'575	455'628	124'931	687'789
Mortgage loans	–	–	–	–
Trading portfolio assets	–	–	–	–
Positive replacement values of derivative financial instruments	18'830	59'808	26'046	27'570
Financial investments	539'043	835'654	650'459	802'973
Accrued income and prepaid expenses	21'104	25'032	17'281	19'281
Non-consolidated participations	363	783	806	793
Tangible fixed assets	80'035	19'973	77'873	20'664
Intangible assets	–	–	–	–
Other assets	29'276	20'115	4'736	2'540
Total assets	2'452'202	1'727'447	2'506'036	1'883'657

BREAKDOWN OF ASSETS AND LIABILITIES BY DOMESTIC AND FOREIGN ORIGIN

In thousands of Swiss Francs

	2015		2014	
	Domestic	Foreign	Domestic	Foreign
Liabilities				
Amounts due to banks	30'720	26'322	3'098	–
Amounts due in respect of customer deposits	540'051	3'143'948	626'978	3'380'376
Negative replacement values of derivative financial instruments	59'802	14'461	24'636	27'585
Accrued expenses and deferred income	68'251	21'931	40'842	34'292
Other liabilities	14'997	37'363	4'020	16'038
Provisions	17'093	576	14'570	921
Capital accounts	137'944	418	137'603	418
Retained earnings reserve	30'205	10'506	24'171	18'111
Currency translation reserve	–	-2'014	–	3'787
Consolidated profit	19'651	7'424	12'438	19'809
Total liabilities	918'714	3'260'935	888'356	3'501'337

BREAKDOWN OF TOTAL ASSETS BY COUNTRY OR GROUP OF COUNTRIES (DOMICILE PRINCIPLE)

In thousands of Swiss Francs

	2015		2014	
	Absolute	Share as %	Absolute	Share as %
Assets				
Europe				
Switzerland	2'453'340	58.7%	2'506'036	57.1%
Other European countries	771'660	18.5%	806'625	18.4%
North America	807'387	19.3%	947'278	21.6%
South America	41'056	1.0%	37'566	0.8%
Asia / Oceania	97'990	2.3%	83'637	1.9%
Africa	8'216	0.2%	8'552	0.2%
Total assets	4'179'649	100.0%	4'389'694	100.0%

BREAKDOWN OF TOTAL ASSETS ABROAD BY CREDIT RATING OF COUNTRY GROUPS (RISK DOMICILE VIEW)

	S&P	Internal rating *	Net foreign exposure / December 31, 2015		Net foreign exposure / December 31, 2014	
			Thousands of CHF	Share as %	Thousands of CHF	Share as %
Group internal country rating						
Prime	AAA	1	1'543'553	89.4%	719'058	38.2%
High Grade	AA+ - AA-	2	4'894	0.3%	1'014'576	53.9%
Upper Medium Grade	A+ - A	3	11'998	0.7%	8'069	0.4%
Lower Medium Grade	BBB+ - BBB-	4	165'450	9.7%	127'338	6.8%
Non Investment Grade Speculative	BB+ - BB-	5	1'152	0.1%	19	0.0%
Highly Speculative	B+ - B-	6	299	0.0%	14'548	0.7%
Substantial Risks / In Default	CCC+ - D	7	101	0.0%	49	0.0%
Total			1'727'447	100.0%	1'883'657	100.0%

* The Group uses its own internal rating system for country risk, as per above illustrated correspondance with Standard & Poors (S&P) ratings.

ASSETS BROKEN DOWN BY THE MOST SIGNIFICANT CURRENCIES

In thousands of Swiss Francs

	Currencies converted into Swiss Francs				Total
	CHF	USD	EUR	Other currencies	
Liquid assets	1'486'433	485	88'660	357	1'575'935
Amounts due from banks	93'769	64'391	105'983	75'353	339'496
Amounts due from customers	83'493	202'570	301'725	26'416	614'204
Mortgage loans	-	-	-	-	-
Trading portfolio assets	-	-	-	-	-
Positive replacement values of derivative financial instruments	1'138	68'156	7'622	1'722	78'638
Financial investments	472'118	522'557	237'985	142'037	1'374'697
Accrued income and prepaid expenses	21'723	6'825	9'173	8'415	46'136
Non-consolidated participations	428	325	392	-	1'145
Tangible fixed assets	94'769	147	4'620	472	100'008
Intangible assets	-	-	-	-	-
Other assets	16'109	12'952	19'001	1'328	49'390
Total assets shown in balance sheet	2'269'980	878'408	775'161	256'100	4'179'649
Delivery entitlements from spot exchange, forward forex and forex options transactions	357'160	3'796'180	937'509	2'367'729	7'458'578
Total assets	2'627'140	4'674'588	1'712'670	2'623'829	11'638'227

LIABILITIES BROKEN DOWN BY THE MOST SIGNIFICANT CURRENCIES

In thousands of Swiss Francs

	Currencies converted into Swiss Francs				Total
	CHF	USD	EUR	Other currencies	
Amounts due to banks	114	14'941	40'467	1'521	57'043
Amounts due in respect of customer deposits	579'131	1'801'200	903'345	400'323	3'683'999
Trading portfolio liabilities	–	–	–	–	–
Negative replacement values of derivative financial instruments	6'891	63'111	2'754	1'507	74'263
Accrued expenses and deferred income	49'965	3'319	23'076	13'821	90'181
Other liabilities	14'646	10'116	20'243	7'354	52'359
Provisions	17'093	–	576	–	17'669
Capital accounts	137'944	–	–	418	138'362
Retained earnings reserve	29'014	21'894	-5'080	-5'116	40'712
Currency translation reserve	–	3'587	-3'681	-1'920	-2'014
Other reserves	–	–	–	–	–
Consolidated profit	19'651	14'801	663	-8'040	27'075
Total liabilities shown in the balance sheet	854'449	1'932'969	982'363	409'868	4'179'649
Delivery obligations from spot exchange, forward forex and forex options transactions	1'771'879	2'749'948	730'459	2'206'292	7'458'578
Total liabilities	2'626'328	4'682'917	1'712'822	2'616'160	11'638'227
Net position per currency	812	-8'329	-152	7'669	–

OFF BALANCE SHEET RELATED INFORMATION

CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Swiss Francs

	2015	2014
Guarantees to secure credits and similar	86'719'834	80'912'909
Performance guarantees and similar	–	–
Irrevocable commitments arising from documentary letters of credit	–	–
Other contingent liabilities	–	–
Total contingent liabilities	86'719'834	80'912'909

FIDUCIARY TRANSACTIONS

Swiss Francs

	2015	2014
Fiduciary investments with third-party companies	1'136'593'280	1'213'580'507
Fiduciary investments with group companies and linked companies	–	–
Other fiduciary transactions	–	–
Total	1'136'593'280	1'213'580'507

MANAGED ASSETS

In thousands of Swiss Francs

Breakdown of managed assets

	2015	2014
Type of managed assets:		
Assets in collective investment schemes managed by the Group	5'970'022	6'140'909
Assets under discretionary asset management agreements	11'234'399	11'434'883
Other managed assets	15'581'202	15'120'750
Total managed assets (including double counting)	32'785'623	32'696'542
<i>- of which, double counting</i>	<i>3'612'257</i>	<i>3'814'128</i>
Total managed assets (including double counting) - beginning of year	32'696'542	
+/- Net new money inflow or net new money outflow	1'086'036	
+/- Price gains / losses, interest, dividends and currency gains / losses	-996'955	
+/- Other effects	-	
Total managed assets (including double counting) - end of year	32'785'623	

The assets managed by the Group include the assets under management and / or deposit, with the exception of assets for which the Group is only providing pure custody services.

INCOME STATEMENT RELATED INFORMATION

PERSONNEL EXPENSES

Swiss Francs

	2015	2014
Salaries (meeting attendance fees and fixed compensation to members of the Group's governing bodies, salaries and benefits)	-151'367'408	-144'942'906
- of which expenses relating to share-based compensation and alternative forms of variable compensation	-1'705'000	-735'000
Changes in book value for economic benefits and obligations arising from pension schemes	-	-
Social insurance benefits	-25'437'751	-20'630'611
Other personnel expenses	-5'201'539	-8'009'426
Total	-182'006'698	-173'582'943

GENERAL AND ADMINISTRATIVE EXPENSES

Swiss Francs

	2015	2014
Office space expenses	-12'772'996	-9'242'679
Expenses for information and communications technology	-16'454'704	-13'799'215
Expenses for vehicles, equipment, furniture and other fixtures, as well as operating lease expenses	-473'284	-569'171
Fees of audit firms	-1'847'481	-1'415'129
- of which, for financial and regulatory audits	-1'593'615	-1'248'928
- of which, for other services	-253'866	-103'781
Other operating expenses	-36'942'756	-44'678'356
Total	-68'491'221	-69'704'550

EXPLANATIONS REGARDING MATERIAL LOSSES, EXTRAORDINARY INCOME AND EXPENSES, AS WELL AS MATERIAL RELEASES OF HIDDEN RESERVES, RESERVES FOR GENERAL BANKING RISKS, AND VALUE ADJUSTMENTS AND PROVISIONS NO LONGER REQUIRED

During the year ended December 31, 2015, the Group recorded an amount of CHF 480'537 no longer required provision through extraordinary income and CHF 292'852 of extraordinary expense following the sale of a non-consolidated participation. Furthermore, there was no significant extraordinary losses or expenses.

OPERATING RESULT BROKEN DOWN ACCORDING TO DOMESTIC AND FOREIGN ORIGIN, ACCORDING TO THE PRINCIPLE OF PERMANENT ESTABLISHMENT

Swiss Francs

	2015			2014		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Net result from interest operations	15'744'771	1'537'195	17'281'966	9'160'496	1'825'576	10'986'072
Result from commission business and services	124'098'973	102'778'482	226'877'455	125'484'460	121'831'797	247'316'257
Result from trading activities	17'930'116	18'499'634	36'429'750	21'503'921	6'181'712	27'685'633
Other results from ordinary activities	2'150'305	8'325'420	10'475'725	2'453'504	3'161'800	5'615'304
Operating expenses	-133'324'824	-117'173'095	-250'497'919	-136'396'583	-106'890'910	-243'287'493
Value adjustments on participations and depreciation and amortisation of tangible fixed assets and tangible assets	-2'261'244	-1'571'937	-3'833'181	-4'213'403	-1'479'939	-5'693'342
Changes to provisions and other value adjustments, and losses	-2'072'629	-390'202	-2'462'831	-1'277'039	-549'362	-1'826'401
Operating result	22'265'468	12'005'497	34'270'965	16'715'356	24'080'674	40'796'030

CURRENT TAXES AND DEFERRED TAXES

Swiss Francs

	2015	2014
Current taxes	-6'705'146	-8'559'549
Deferred taxes	-675'587	-500'000
Total	-7'380'733	-9'059'549

The Group has not recorded any asset in relation to loss carry forwards for tax purposes.

CAPITAL ADEQUACY

In thousands of Swiss Francs

Regulatory capital

	2015	2014
Capital items		
Capital accounts	138'362	138'021
Retained earnings reserve	40'711	42'282
Currency translation reserve	-2'014	3'787
Consolidated profit	27'075	32'247
Expected future dividend	-21'500	-26'300
Equity as shown on the balance sheet	182'634	190'037
Deductions	-2'551	-2'427
Tier 1 capital	180'083	187'610
Tier 2 capital	-	-
Available regulatory capital	180'083	187'610

CAPITAL ADEQUACY

In thousands of Swiss Francs

Capital requirements

	2015	2014
Swiss Standard approach		
Credit risk	15'922	17'681
- of which market price fluctuations related to equity investments in the portfolio	-	-
Risks without counterparties	8'001	6'677
Standard approach		
Market Risk	2'585	5'871
- of which on interest rate instruments	-	-
- of which on equity investments	-	-
- of which on currencies and precious metals	746	4'381
- of which on commodities	1'839	1'489
Basic Indicator Approach		
Operational risks	41'885	40'560
Capital requirements	68'393	70'789
Solvency ratio	21.06%	21.04%

CAPITAL RATIOS

2015

CET1 ratio	21.06%
T1 ratio	21.06%
Total capital ratio	21.06%
CET1 target	7.40%
- of which capital buffer	7.40%
- of which countercyclical buffer	0.00%
CET1 ratio after deduction of AT1 and T2 requirements covered by CET1	21.06%
CET 1 target majored by the countercyclical buffer	7.40%
Available CET1	21.06%
T 1 target majored by the countercyclical buffer	9.00%
Available T1	21.06%
Capital target majored by the countercyclical buffer	11.20%
Available regulatory capital	21.06%

LEVERAGE RATIO

In thousands of Swiss Francs

	<u>2015</u>
T1 capital	180'083
Leverage ratio exposure	4'258'405
Leverage ratio	4.2%

LIQUIDITY COVERAGE RATIO

In thousands of Swiss Francs

	<u>2015</u>
Stock of High Quality Liquid Assets	2'902'678
Net cash outflows	1'559'875
LCR	186.1%



Ernst & Young Ltd
Route de Chancy 59
P.O. Box 48
CH-1213 Geneva

Phone +41 58 286 56 56
Fax +41 58 286 59 16
www.ey.com/ch

To the General Meeting of
Mirabaud SCA, Geneva (Group Mirabaud)

Geneva, 20 April 2016

Report of the statutory auditor on the consolidated financial statements of the Group Mirabaud

As statutory auditor, we have audited the accompanying consolidated financial statements of the Group Mirabaud, which comprise the balance sheet, income statement, statement of changes in equity, cash flow statement and notes (pages 4 to 40), for the year ended 31 December 2015.

Directors' responsibility

The Directors are responsible for the preparation of the consolidated financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Directors are further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended 31 December 2015 give a true and fair view of the financial position, the results of operations in accordance with the Swiss accounting principles applicable for banks and comply with Swiss law and the company's articles of incorporation.



Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

A handwritten signature in blue ink, appearing to be 'Didier Müller', written over a faint grid background.

Didier Müller
Licensed audit expert
(Auditor in charge)

A handwritten signature in blue ink, appearing to be 'Bruno Patusi', written over a faint grid background.

Bruno Patusi
Licensed audit expert

